

## CHAPTER NO. 379

## SENATE BILL NO. 1673

By Clabough, Atchley, Williams

Substituted for: House Bill No. 1396

By McDaniel

AN ACT To amend Tennessee Code Annotated, Sections 50-7-403(b)(1), 50-7-403(g) and 50-7-451(b)(1), relative to the employment security law.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-7-403(b)(1)(A), is amended in the last sentence of such subdivision by deleting the language "premium rate tables 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10" and substituting instead the language "premium rate tables 1, 2, 3, 4, 5 and 6".

SECTION 2. Tennessee Code Annotated, Section 50-7-403(b)(1)(B), is amended in the sixth sentence of such subdivision by deleting the language "premium tables 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10" and substituting instead the language "premium rate tables 1, 2, 3, 4, 5 and 6".

SECTION 3. Tennessee Code Annotated, Section 50-7-403(g), is amended by deleting the first sentence of such subsection in its entirety and by substituting instead the following:

Variations from the standard rate of premiums for employers other than those referred to in Section 50-207(b)(3)(A) and (B) shall be determined, beginning July 1, 2001, by the reserve ratio of each employer in accordance with premium rate tables 1, 2, 3, 4, 5 and 6 as set forth below, depending on the provisions of subsection (j).

This subsection is further amended by deleting the chart in such subsection which reads as follows:

Premium Rate Chart

	Premium Table 1 Trust Fund under \$300 million	Premium Table 2 Trust Fund over \$300 to \$350 million	Premium Table 3 Trust Fund over \$350 to \$400 million	Premium Table 4 Trust Fund over \$400 to \$450 million	Premium Table 5 Trust Fund over \$450 to \$500 million	Premium Table 6 Trust Fund over \$500 to \$550 million	Premium Table 7 Trust Fund over \$550 to \$600 million	Premium Table 8 Trust Fund over \$600 to \$650 million	Premium Table 9 Trust Fund over \$650 to \$750 million	Premium Table 10 Trust Fund \$750 million and over
Reserve Ratio Percent										
20.0 and over	.50	.45	.40	.30	.20	.15	.10	.05	.03	.00
18.0 and less than 20.0	.70	.65	.55	.35	.25	.20	.15	.10	.05	.05
16.0 and less than 18.0	.90	.70	.65	.40	.30	.25	.20	.15	.10	.10

14.0 and less than 16.0	1.1	.75	.70	.40	.37	.32	.27	.22	.17	.17
12.0 and less than 14.0	1.3	1.2	1.0	.50	.45	.40	.35	.30	.25	.25
11.0 and less than 12.0	1.6	1.4	1.2	.75	.68	.60	.55	.50	.45	.30
9.5 and less than 11.0	2.1	1.8	1.5	1.0	.90	.80	.75	.70	.65	.50
8.0 and less than 9.5	2.5	2.1	1.8	1.2	1.1	1.0	.95	.90	.85	.70
7.0 and less than 8.0	2.9	2.5	2.1	1.5	1.4	1.3	1.25	1.20	1.15	1.0
6.0 and less than 7.0	3.3	2.8	2.4	1.8	1.7	1.6	1.55	1.50	1.45	1.3
5.0 and less than 6.0	3.8	3.2	2.7	2.1	2.0	1.9	1.85	1.80	1.75	1.6
2.7 and less than 5.0	4.1	3.5	3.0	2.4	2.3	2.2	2.15	2.10	2.05	1.9
0.0 and less than 2.7	4.5	3.9	3.3	3.0	2.7	2.6	2.55	2.50	2.45	2.3
Less than 0.0 and more than -2.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
-2.0 and more than -4.0	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
-4.0 and more than -6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
-6.0 and more than -8.0	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5
-8.0 and more than -10.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
-10.0 and more than -12.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
-12.0 and more than -14.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
-14.0 and more than -16.0	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
-16.0 and more than -18.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0
-18.0 and more than -20.0	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5
-20 and under	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0

and substituting instead the following new chart:

#### Premium Rate Chart for Nongovernmental Employers

	Premium Table 1	Premium Table 2	Premium Table 3	Premium Table 4	Premium Table 5	Premium Table 6
	Trust Fund	Trust Fund	Trust Fund	Trust Fund	Trust Fund	Trust Fund
	under \$450	\$450 to	\$525 to	\$600 to	\$675 to	\$750
Reserve Ratio Percent	Million	under \$525 million	under \$600 million	under \$675 million	under \$750 million	million and over

20.0 and over	0.50	0.45	0.40	0.30	0.15	0.00
18.0 and less than 20.0	0.70	0.65	0.55	0.35	0.20	0.05
16.0 and less than 18.0	0.90	0.70	0.65	0.40	0.25	0.10
14.0 and less than 16.0	1.1	0.75	0.70	0.40	0.32	0.17
12.0 and less than 14.0	1.3	1.2	1.0	0.50	0.40	0.25
11.0 and less than 12.0	1.6	1.4	1.2	0.75	0.60	0.30
9.5 and less than 11.0	2.1	1.8	1.5	1.0	0.80	0.50
8.0 and less than 9.5	2.5	2.1	1.8	1.2	1.0	0.70
7.0 and less than 8.0	2.9	2.5	2.1	1.5	1.3	1.0
6.0 and less than 7.0	3.3	2.8	2.4	1.8	1.6	1.3
5.0 and less than 6.0	3.8	3.2	2.7	2.1	1.9	1.6
2.7 and less than 5.0	4.1	3.5	3.0	2.4	2.2	1.9
0.0 and less than 2.7	4.5	3.9	3.3	3.0	2.6	2.3
Less than 0.0 and more than -2.0	5.0	5.0	5.0	5.0	5.0	5.0
-2.0 and more than -4.0	5.5	5.5	5.5	5.5	5.5	5.5
-4.0 and more than -6.0	6.0	6.0	6.0	6.0	6.0	6.0
-6.0 and more than -8.0	6.5	6.5	6.5	6.5	6.5	6.5
-8.0 and more than -10.0	7.0	7.0	7.0	7.0	7.0	7.0
-10.0 and more than -12.0	7.5	7.5	7.5	7.5	7.5	7.5
-12.0 and more than -14.0	8.0	8.0	8.0	8.0	8.0	8.0
-14.0 and more than -16.0	8.5	8.5	8.5	8.5	8.5	8.5
-16.0 and more than -18.0	9.0	9.0	9.0	9.0	9.0	9.0
-18.0 and more than -20.0	9.5	9.5	9.5	9.5	9.5	9.5
-20 and under	10.0	10.0	10.0	10.0	10.0	10.0

SECTION 4. Tennessee Code Annotated, Section 50-7-451(b)(1), is amended by deleting the language "January 1, 1999" in the first sentence of such subdivision and substituting instead the language "July 1, 2001".

This subdivision is further amended by deleting the language "premium tables 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10" in the first sentence of such subdivision and substituting instead the language "premium rate tables 1, 2, 3, 4, 5 and 6".


This subdivision is further amended by deleting the language "premium table 10" in the second sentence of such subdivision and substituting instead the language "premium rate table 6".

SECTION 5. This act shall take effect July 1, 2001, the public welfare requiring it.

**PASSED: June 4, 2001**




JOHN S. WILDER  
SPEAKER OF THE SENATE



JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 12<sup>th</sup> day of June 2001**



DON SUNDQUIST, GOVERNOR